WHSCC of Newfoundland and Labrador

Business Process and Information Technology Review

Findings and Recommendations

June 21, 2001

Prepared by:

DMR Consulting

The results people

ACKNOWLEDGEMENTS

DMR Consulting Inc. would like to acknowledge the very active participation of the management and staff of the WHSCC during our review process, and in their contributions toward many of the recommendations found in this report.

The Task Force recommendations had already created significant additional work for many people in the organization, and our interventions we expect were both welcome as well as a little disruptive at times.

The new leadership being provided by both the Board and Ann Marie Hann, CEO was very evident during our review period. We trust that our recommendations will be helpful to them in continuing to guide WHSCC to a new operating level of service to stakeholders, towards improved internal efficiency, and towards "Changing the Mindset".

On behalf of my colleagues – Fred Soper, John Sheridan, JJ Campbell, Chris Faulkner, Andrew Buchanan, and Paul Kent from DMR and Jane Helleur, Conrad Ferguson and Chris Hornberger – I would like to again thank all who contributed to this review process and to this report.

Sincerely,

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1 EXECUTIVE SUMMARY

The Workplace Health, Safety and Compensation Commission of Newfoundland and Labrador (WHSCC) requested a Business Process and Information Systems Review be conducted of its operations. Consultants from DMR Consulting undertook the review from mid-March through the end of May 2001.

What Was Reviewed

Centered on current business issues, strategies and processes, the early review areas created a starting point for developing the Information Systems impact assessment. An examination of the organization, its functions, and its key human resources and capacities was also done at a high level.

This first portion also dealt with the review of relevant existing and emerging technological trends and related business process opportunities, in addition to the identification of benefits that may be generated for WHSCC.

What Was Found

Using a framework of strengths, weaknesses, opportunities and threats (a SWOT analysis), the consultants found a number of areas for operational improvements to be made. The Commission and its staff are anxious for change, but will need assistance in reaching the targeted improvements on their own.

There are a lot of very good people at WHSCC, but managers and staff have been generally operating in the recent couple of years without clear strategic direction and with weak performance measures. There are also some quality issues in some functional areas, such as those dealing with document management. These functions are in need of realignment under a common operating unit.

The new demands emerging from the Task Force are creating even more change in the business, and the capacity of the existing resources will be stretched to develop and eventually deliver new services surrounding the pending legislation changes.

Information systems and technology are becoming a critical part of every organization in dealing effectively with service delivery, operating efficiency and knowledge management. WHSCC must fundamentally change how its Information Systems Department serves the rest of the business, in order to provide the staff with more effective tools to do their jobs, and to be more responsive to the emerging needs of future electronic access for employers and injured workers.

Some of the core computer applications have served the business well since the mid-1980's, but need to be replaced with more current user interfaces.

Key Recommendations

There are a number of recommendations being made for WHSCC to adopt over the coming 4-5 years. These recommendations are grouped into major initiatives, and will be instrumental in enabling the Commission to reach a new operating level and improved service delivery capacity and quality.

These initiatives include:

- Establish Corporate Planning / Governance Process
- Develop IT Governance Process
- Implement Change Management Framework
- Establish Balanced Scorecard and Corporate Measurements
- Continue to Implement Internal Improvement Projects
- Capacity Review
- Re-Align Functions
- Elevate Financial Management Role
- Develop HR Strategy
- Strengthen Quality of "Front Door" Functions
- Define IT Architecture, Strategy and Delivery Improvements

The implementation of these initiatives will position the WHSCC to operate more efficiently, and to deliver much higher quality services to injured workers and employers. As well, the new programs defined by the Task Force will be managed most effectively, leading to significant financial gains in the sustainability of the workers compensation system as a whole.

In addition, the improved use and management of the information systems and technology resources will enable WHSCC to deal with stakeholders electronically for many key transactions, and to reduce the cost of operations.

New Strategic Outcomes for WHSCC

During the course of the review, the consultants used the findings to introduce new outcome-based thinking models to the directors of the WHSCC. As a starting point for a new governance process, the following seven strategic outcomes will be used as the near term direction for the Commission:

- Financially Secure
- Workers and Employers Better Served by WHSCC
- WHSCC Operating More Efficiently
- Prevention Focus Achieving Results
- Stakeholders Sharing Responsibility for Changes
- Stakeholders Recognize WHSCC More Efficient and Effective
- Knowledgeable Employees Satisfied and Retained

New performance measures will be set this year for each outcome, and will be staged over the next 4-5 years.

Improved Services to Injured Workers

The initiatives undertaken by WHSCC should see the following improvements, among others, in services to injured workers:

- Future electronic claim submission capability
- Faster and better claim adjudication
- Reduced time to first payment
- Improved return to work program
- Employers working harder to maintain safe work environments for workers
- Reduced number of accidents

Safe Workplaces and Affordable Rates for Employers

The initiatives undertaken by WHSCC should see the following improvements, among others, in services to employers:

- Future electronic payroll reporting capability
- Fair and equitable assessment rates linked to prevention performance
- Electronic access to claim history and trends
- Safer work environments for workers
- Reduced number of accidents
- Reduced number of claims

Investments Required

The WHSCC must invest more in administration costs in the next 3-4 years in order to address the new administration requirements defined by the Task Force, and in the new strategic initiatives, before being able to accomplish the longer term benefits of improved efficiency.

Compared with other jurisdictions in Canada, WHSCC has generally had a lower percentage of administration costs to benefits paid, even though claim volumes and future benefit costs have increased significantly over the past three years.

It is now time to invest for the future, in positioning the WHSCC to meet today's challenges of poor financial health, and to move to an organization delivering superior services to injured workers in an affordable and sustainable workers compensation system.

2 INTRODUCTION

This report provides a summary of the key findings and recommendations of a Business Process and Information Systems Review conducted by DMR Consulting from mid-March through the end of May 2001. The review was requested by the Workplace Health, Safety and Compensation Commission of Newfoundland and Labrador, hereafter referred to as 'WHSCC' or 'the Commission'.

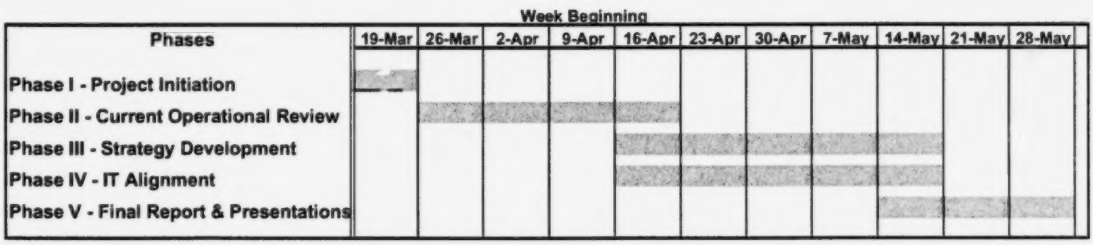
2.1 BACKGROUND

The WHSCC engaged DMR Consulting to conduct a review of the Commission's business processes and information technology, to identify areas where improvements could be identified, and to develop recommendations for appropriate changes to be made.

The review was planned late in 2000, and a public tender process was initiated in January 2001. The actual review got under way shortly after the release of a significant public consultation process surrounding the financial challenges facing the overall workers' compensation system in the province. The recommendations in the Task Force report also spoke to the need for a review of the Commission and its operations, in order to provide guidance on efficiency and effectiveness improvements in the administration of the system in Newfoundland and Labrador.

2.2 APPROACH

The following approach was used by DMR in conducting the Business Process and Information Technology Review:



The project followed a structured process, with a series of activities and deliverables, focused initially at a high level across the organization. The team then identified the key business areas or operational issues that required further, more in-depth investigation.

A senior DMR Consulting team brought the required set of specialized skills to the process, providing expertise in business strategy, experience in workers compensation, information systems and technology architecture, and in benefits realization. They also brought alternative process considerations and functional views, while providing

knowledge transfer, as appropriate, on new methodologies for IT strategic planning, portfolio management and outcome-based management.

The project was comprised of two streams of activity:

Review and diagnostic activities. Centered on current business issues, strategies and processes, this allowed for the establishment of a starting point for developing the IT impact assessment. This first portion also dealt with the review of relevant existing and emerging technological trends and related business process opportunities, in addition to the identification of benefits that may be generated for WHSCC.

IT Strategy formulation activities. This phase led to the development of the key IT principles, strategic thrusts, key requirements and prioritized action plans. These will be used to align IT contributions with the targeted strategic business outcomes.

The project was completed over a period of eleven weeks. This required intense efforts on the part of both WHSCC and DMR, with interviews and workshops involving management and selected staff during a very busy period of pending change.

2.3 ORGANIZATION ENVIRONMENT

The WHSCC operates primarily out of its head office in St. John's (responsible for Eastern Newfoundland), but also has staff in two regional offices in Corner Brook (responsible for Western Newfoundland and Labrador), and in Grand Falls-Windsor (responsible for Central Newfoundland).

Over the years, the WHSCC has seen shifts in focus from more rigid to more flexible guidelines for entitlement, and another shift is emerging with the Task Force recommendations.

Increased Volumes But Only Incremental Growth in Administration

There was a concern expressed regarding the staffing and organizational demands; whether the Commission is operating efficiently; and which areas need particular attention.

An evaluation of some key statistics, utilized on a national basis, was carried out to review the demands, and compare the performance of WHSCC with other Commissions. The intent was to utilize a standard set of indicators as a baseline for comparison in order to highlight any weaknesses or strengths in the operating environment.

This evaluation revealed that WHSCC has experienced a 30% increase in accepted claims over the last three years while the staff increase was held to 4%. The Commission is ranked best in performance, followed by Nova Scotia and New Brunswick, in the Administration Costs to Total Benefits Costs, and in the Administration Costs to Current Year Benefit Costs Incurred.

A key area of claim demand has been due to soft tissue injuries. While the total claim demand has increased 30%, the increase in the number of soft tissue injury claims has exceeded 52% over the same period of three years. This type of claim demands more involvement of Commission staff due to the variety of interventions, medical aids, and communications required.

The Medical Aid payments area has also experienced a 55% increase in 'current year medical aid service payments' over the last three years. This demand is reflected in the increase in current year benefit costs, which have risen 88% from $56.6M in 1997 to $106.3M in 2000.

These statistics show a significant demand increase in the work associated with claims and claim management, while the Commission staff levels have increased only by a minimum amount.

The Task Force recommendations provide a foundation to deal with the concerns regarding liability and viability. The initiatives, which will arise from those recommendations including the recent policy changes, will bring new responsibilities to the Commission. These will require staffing increases in strategic areas in the near term. However the implementation of the policy and process initiatives should result in reductions in other areas over the next few years.

Further initiatives around quality improvement, re-alignment of functions, improved information systems and productivity tools should enable WHSCC to streamline its operations by 2005.

Response to Task Force Report

To its credit, the WHSCC was already taking immediate action on key Task Force recommendations and on planned organizational improvements when the DMR review began in mid March.

As a result, the review was conducted in the midst of the Commission dealing with significant change, and not from a stable baseline environment. This created interesting challenges with trying to determine the 'before and after' scenarios for some of our findings and recommendations.

It also demonstrated the tenacity and willingness of the WHSCC staff in wanting to see change really happen.

3 FORCES DRIVING CHANGE

3.1 TASK FORCE REPORT ('CHANGING THE MINDSET')

(Excerpt from Task Force Report – February 16, 2001)

"Much was heard about the administration of the system. Several groups raised questions about the management of the system, whether things are being done efficiently and cost effectively. There is a perception that administration costs are too high and several ideas for cost reduction were offered. An increased presence of staff in the regions was also suggested.

The areas of case management, injured worker retraining to return them to gainful employment, investigations, enforcement procedures, even the phone system and how the Commission handles customer service came under scrutiny, as did the organizational and management structure.

Comments were also made about the lack of meaningful reporting to the public on the performance of the Commission. The Annual Report was not seen as particularly useful in its current form and stakeholders suggested more forums and interactions directly with Board members, such as the Round Table, would be welcomed.

The Task Force agrees that administratively the Commission must operate in a business-like fashion and be responsive to the needs of all its clients. Senior management and the Board of Directors recognize this too and, in December, 2000, initiated a process to have an independent review conducted of the Commission's operations. It had been years since such an exercise was undertaken and the Board aspires to the view that there is always merit in periodically having an external body assess what and how you're doing in meeting clients' needs. A public call for proposals from qualified consultants was issued on February 3, 2001."

3.2 NEW LEADERSHIP

The Commission is under the direction of a new Chair of the Board, several new Board members, as well as a new CEO over the past 8 months.

WHSCC is now positioned to undertake significant change in meeting the expectations of the Task Force and in doing its part to ensure the sustainability of the workers' compensation system in the province.

This new internal momentum was evident when DMR began the review, since the management of the Commission was well under way with plans for their required changes in policy and legislation which would guide their operations under the new Task Force agenda. The initial wave of this legislation was passed successfully with unprecedented pace, primarily due to the leadership and vision of the CEO and the Board.

3.3 STAKEHOLDERS EXPECTATIONS

Another excerpt from the Task Force report sets expectations from the key stakeholders that the WHSCC must improve its ability to properly administer the system, and must work harder to deliver superior service to injured workers.

(Excerpt from Task Force Report – February 16, 2001)

"Much discussion by the stakeholders surrounds the administration of the system. Concerns have risen about the management of the system, whether things are being done efficiently and cost effectively. A common view to be achieved is that the Commission must operate in a business-like fashion, responsive and accountable to all its principles. This responsiveness is of particular concern to clients in outlying regions where there is seen a need for an increased presence of commission staff. There is also a perception that the Commission's administration costs are too high.

All stakeholders agreed that reform to the current system is needed, albeit there were differing views on how this could be achieved. Employers want an administratively streamlined insurance system, with rates competitive with the national average and the unfunded liability eliminated over a short period of time."

"... Stakeholders agreed that the overriding objective of the system is still an insurance system that is fair, affordable and sustainable. Stakeholders made it clear they did not want quick fix solutions, such as increasing rates or lowering benefits ...

Injured workers indicate that they do not receive adequate or timely responses from the Commission."

To ensure a balanced view was used, the review was conducted with the considerations of both operating efficiency improvements and improved service delivery in mind.

4 SUMMARY OF REVIEW FINDINGS

This section of the report provides an overview of DMR's current assessment of the WHSCC – in terms of its business environment, its organization, its key business processes, its information technology and systems, and its people.

The review was organization wide, but had more focus in the service delivery areas rather than other support areas, with the exception of the Information Systems area, where more attention was requested.

We have summarized our findings into strengths, weaknesses, opportunities and threats (SWOT) in five areas – Business Environment, Business Processes, Information Systems and Technology, Organization, and People.

4.1 STRENGTHS

The following strengths were identified within the WHSCC:

Business Environment

- The Task Force effort has created an environment where significant change can now occur.
- New leadership at Board and CEO level is already making its mark on the staff as well as on other stakeholders.
- A new rate setting model is being developed for more fairness and equity for employers.
- Senior management has begun a Balanced Scorecard approach for management planning.

Business Processes

- The Regional offices use more of a team approach and get involved in the more complex cases, thereby representing a multi-disciplinary approach and higher quality decisions.
- The organization routinely makes efforts to find ideas and solutions from other jurisdictions and to incorporate some of these concepts into their analysis of what may or may not work in this province.
- Staff have already been involved in several business improvement initiatives – the team approach has raised cross-departmental awareness of each others' roles and responsibilities.

Information Systems and Technology

- IS staff are ready to support the Business Strategy. While the Business Strategy has been unclear and undocumented, the IS group have been proactive and have been trying to develop an IT strategy for some time.
- There is a strong technical support capability for the information technology infrastructure. Users have generally recognized the responsiveness of the support team.

Organization

- Managers know the business, the industry and the changes that have occurred and are beginning to understand the pending impacts.
- The regions are closer to their clients and represent the organization well.

People

- Staff are aware of Task Force report, and are starting to understand it.
- There are a lot of dedicated and skilled people in the organization.
- Staff are survivors, have weathered changes and are still willing to engage.

4.2 WEAKNESSES

The following weaknesses were identified within the WHSCC:

Business Environment

- Too much change at once for staff to absorb current projected initiatives.
- Historical lack of stability regarding the Commission's direction.
- No strategic plan (targets, accountabilities, measures).
- Inability to convert information/data into action.
- Culture is not oriented to business outcomes.

Business Processes

- Planning processes are weak (measurement, best practices) at all levels.
- Many managers are not managing; they are 'doing'; there is little effective use of delegation, or management by objectives.
- There are a lot of 'hand-offs' where one part of the claim adjudication process or medical aid payment process passes to another person, and sometimes back again due to unclear policy, procedural gaps or lack of clarity of roles.
- Intake process and staffing needs strengthening (e.g. risk assessment, extent of investigation used, urgency for top level service to claimants).
- Investigation process is under-utilised and under-resourced.
- Imaging system has flaws that affect quality – not enough up-front editing of source data; what is acceptable error rate?
- No clear path for improvement ideas (how to foster creativity, innovation, continuous improvement).

Information Systems and Technology

- Business end users don't understand how IS sets priorities, which has left some users with the perception of an unresponsive and autocratic IS department.
- Reporting on collected IS performance information is inconsistent and not easily consumable. The IS group does not regularly report on its activities to the user community, or information available does not leave the IS department. Users who are recipients of reports have difficulty in understanding the information they are being presented.
- The same group who performs the development or maintenance activities carries out all unit, Regression, Integration, and System Testing. No separate testing or Quality Assurance function exists.

- Some IS standards are present, but it is not apparent that they are consistently applied.
- The current development and maintenance methodology is not comprehensive, and it is not apparent that it is consistently applied.
- Regions have experienced some issues with respect to response times for IT problems, and are occasionally asked to perform IS functions in lieu of an IS presence.
- Users feel IS are unable to respond to legitimate needs in a timely fashion.
- There is a weak Help Desk that requires more broadly trained people. They are unable to independently resolve a high degree of first line problems, and don't effectively record calls and resolution.
- The corporate information technology budget is controlled by IS rather than the business/system owners.
- A lack of a clear business strategy has meant that no direction or parameters have been given to IS.
- IS have been too focused/vested in one vendor's products/platform. As a result, the business has gone outside IS, on more than one occasion, to implement appropriate technologies from other vendors.
- Information exchange using software tools is difficult with external stakeholders. The commission has standardized on office productivity software that inhibits interaction with most external stakeholders.
- The current implemented technology requires skills that are not readily available locally or regionally. This can also limit career growth for current IS staff.
- Some performance indicator data that is collected is not properly analyzed to facilitate improvement.

Organization

- There have been no objectives and accountabilities for Managers, Directors and Executive Directors.
- A financial management focus is not vested in a role on senior management team, i.e. such as a CFO.
- An information systems focus is not vested in a role on senior management team, i.e. such as a CIO.
- Departments operate as silos; some parts of business not aware of demands placed on others.
- Some functions seem to be misaligned in the organizational structure.
- Regional Directors were not part of Directors' meetings and of Senior Management team.
- The frontline Information officer role needs definition and strengthening.
- There is no obvious succession planning.
- Managers are sometimes focused on tactics, not strategy (don't always delegate).
- There are remnants of 'gun shy management'.
- Some areas are still underskilled and understaffed (e.g. Intake Adjudication, Medical Aid payments, Investigations).
- Health and Safety is still not fully integrated (Head Office to Regions and within business).

People

- There is an insufficient level of staff training, especially for areas unique to business – e.g. case management and adjudication – you cannot just hire one – they have to learn the business and bring their skills as tools.
- A reward and recognition system of substance is not in place to positively impact retention, productivity and morale.
- There is no clear path for improvement ideas (how to foster creativity, innovation, continuous improvement).
- There are some morale issues – perpetuated by scale of change, relative compensation compared to market, lack of recognition and reward, perceived and real imbalance of workload, and internal imbalances.
- Some are working excessive overtime.
- There is some inability of managers to think strategically.

4.3 OPPORTUNITIES

The following opportunities were identified within the WHSCC:

Business Environment

- To heighten awareness to change and willingness to engage.
- To prioritize change events and align these with strategic targets.
- To complete balanced scorecard and associated key performance indicator initiative.
- To continue to observe opportunities from other jurisdictions.

Business Processes

- To learn from Regions - their 'best practices'.
- To use mentoring more - could support the learning and change initiatives.
- To strengthen consistency with stronger policy implementation through procedures and monitoring, etc.
- To escalate business information sharing with other jurisdictions (e.g., HRDC, other Boards).

Information Systems and Technology

- To actively engage in strategic planning initiative.
- To develop appropriate effectiveness measures and reporting.
- To utilize contract resources in 'project' settings.
- To realign IS budget so spending is partially influenced by the department(s) who will benefit from and utilize the application systems solutions provided by IS.
- To benefit/learn from previous external development project.

Organization

- To restructure the organization.
- To demonstrate ability of the organization to respond to stakeholder expectations for change (communication opportunity).
- To relate objectives and accomplishments to key performance indicators in a Balanced Scorecard.

People

- To identify the champions who will help lead the change.
- To consider recognition and reward initiatives especially during the current environment of rapid change and high demands.
- To develop a learning and continuous improvement orientation.

4.4 THREATS

The following threats were identified within the WHSCC:

Business Environment

- Financial health of the system may be dependent upon the economy.
- Internal processes are project oriented (should be more strategic).
- What could a change in government mean for achieving some stability in direction?

Business Processes

- May apply best practices from other jurisdictions that do not fit (are we following the right jurisdictions?).
- Some staff may not respond well to business process change and external pressures to achieve these changes.

Information Systems and Technology

- Impact of Task Force changes are creating a flurry of IS application changes. There is a risk of amending a system with no overriding IT architecture to guide the changes. Delivery schedule expectations are very tight.
- The IS technologies in place limit the ability for the commission to interact with other organizations, and for sharing information and/or systems with other commissions.
- The loss of 2-3 key IS personnel leaves the business highly vulnerable. The lack of system documentation exacerbates the situation.
- IS staff turnover is likely to continue, as is felt in many organizations.
- IS personnel may not have the right knowledge and capability to respond to the emerging needs of the business.
- The use of unique technology and toolsets will limit recruitment due to scarce skills.

Organization

- Loss of selected key personnel in some areas leaves the business highly vulnerable; (IS, Finance, Case Management).
- 'Outside' perception of ability to respond to stakeholder expectations.
- Board may micromanage if strong leadership team not in place.
- Union agreements may constrain ability to restructure, move people around, etc.
- Senior Management and senior bargaining unit staff stability – retention, retirement.
- Management and staff will need to exert energy and commitment to see change.

People

- Retention – senior staff, management, other staff.
- The work environment (stress, morale, recognition, and system change) may impact the ability to retain staff.

Summary

The overall SWOT analysis confirms some of the early indicators which were identified during the Task Force work and provides new insight on a number of other issues which reflect some chronic challenges facing the WHSCC as well as the overall workers' compensation system in Newfoundland and Labrador.

It should also be noted that some of these weaknesses are already recognized and are being dealt with at this time.

Our recommendations in the next part of the report are built upon these findings.

5 KEY RECOMMENDATIONS

The results from the SWOT assessment lead us to the following key recommendations. The numbering of the recommendations is simply in the sequence as packaged in the report. It does not imply relative priority. The recommendations are grouped and prioritized into key initiatives in Section 6.

5.1 BUSINESS ENVIRONMENT

The business environment is being significantly influenced by the recent Task Force review of the workers compensation system in the province. Injured workers are seeking improved delivery of services from the Commission, and employers are seeking fair and equitable assessment rates. The WHSCC must respond to these expectations.

The following recommendations should be adopted by the WHSCC as it relates to its overall business environment:

Recommendation #1
Continue to focus on the legislative and policy impacts of the Task Force recommendations on the WHSCC capacity in the immediate term. This has been and should continue to be top priority for this year.

Impact on WHSCC
The organization is currently more in react mode than in planning mode, due to the key legislation and policy changes which are being defined and implemented. The critical dates for these changes supercede everything else, and the true measure of capacity for these changes will not be understood for a while yet.

Recommendation #2
Redefine new corporate direction, goals, outcomes and performance measures, and communicate them both internally to staff and externally to key stakeholders. The Task Force report in a sense defines the 'de facto' strategic drivers for the near term.

Planning
Create an Outcome based mindset – business case / benefits, etc.- if an initiative is not clearly contributing to the organization's objectives, why is it being done? Is it lower priority?

- Measure the right things – there are a lot of things being measured today, but many are not the right indicators.
- Revisit short term tactical plan with intent to prioritize tasks relative to strategic targets.
- Complete Balanced Scorecard initiative (senior management ownership) to set the new targets and objectives.

5.2 Business Processes

The business processes and their efficiency and effectiveness will have a direct impact on how well the WHSCC delivers services to injured workers and employers. It impacts processing times, quality and accuracy of information, staff productivity and capacity, and responsiveness to stakeholders.

The following recommendations should be adopted by the WHSCC as it relates to its key business processes:

Recommendation #3
Revisit and retrain staff on all current policies and procedures, and train staff on all new policies resulting from the Task Force legislation which is arriving this year and next.

Policy Review Required
This is planned already by the WHSCC; however, it needs to be reinforced as a result of both our review and of other internal improvement projects.

- The interpretation of some of these policies and procedures has been creating problems with regard to inconsistent service delivery and is impacting program costs.
- Staff have interpreted many of the key business procedures in different ways. In other cases, older procedures are still living but are no longer appropriate.
- There are also a number of inefficiencies identified in the internal projects which will need to be addressed.
- Some critical areas such as Intake Adjudication and Medical Aid processing are underskilled (not enough senior) and/or understaffed (not enough).

Recommendation #4
Establish an Information Technology (IT) Governance process.

Setting Priorities for IT Projects
- The process for determining IT priorities is not documented, nor well understood by the user community.
- The IS organization also needs clear involvement in the overall business strategic direction in order to enable this to happen.
- The efforts of the IS Department are not always aligned with the business priorities, and/or in terms of relative business value to each other.
- The Task Force impacts on IS are creating additional capacity demands in the near term, and probable impacts on other work-in-process.
- IS needs external guidance and support to help the organization make the most effective use of future IT investments.

Maintenance and Enhancements to Business Applications
Interviews with the IS group have indicated that Program Change Requests (PCR's) for applications enter the department in a variety of non-standard formats. Interviews with the user group demonstrate that each user has a different perspective on the appropriate channel for raising Program Change Requests. Users are not generally aware, for example, that electronic forms submission is a possible avenue available to them.

Once the Program Change Request has been documented, Application Support subjectively prioritizes them. Requests raised by more vocal users tend to get higher priority in the work schedule. Governance around these needs to improve.

New Development
The process for determining new application development is also an undocumented process. Historically, work is determined by the users, communicated up to the appropriate management committee member, and the IS group will scope and cost the effort. The work is entered as a capital item in the IS budget for the following year, and the budget is presented to the management committee for approval.

The IS group rely upon the management committee to communicate the IS priorities to the user community. However, interviews with management committee demonstrate that this responsibility is not clear.

Recommendation #5
Escalate the importance and effort in all projects related to processes where WHSCC performs 'matching' with external agencies – e.g. Human Resources Development Canada (HRDC), Canada Customs and Revenue Agency (CCRA), and others - for overpayment recovery.

Opportunity
This is also recognized by the WHSCC as an opportunity to better manage and administer claims and claim overpayments. Some significant costs can be reduced once these capabilities are introduced.

Recommendation #6
The authorization process for certain medical aid payments should be moved back to the Case Manager/CSA teams. The workload impact will need to be understood clearly, and the change staged as appropriate.

Approval Authority
Having the approval authority resting in the right place will allow WHSCC to better manage and administer medical aid claim payments. Some significant costs can be reduced once these capabilities, along with others, are introduced.

Further improvements in the Medical Aid payment processing area should be staged over the following year or two, as the governance process will eventually dictate.

Recommendation #7
Determine a mechanism to facilitate appropriate delivery of information to the business.

Information
Users have indicated that obtaining information from the corporate databases is an arduous task. Tools are not well understood, or are not intuitive, and the data itself is difficult to assemble into useful information. Confidence in the data itself is low.

Access to information within the corporation will require the IS group to deliver better tools, such as Data Warehouse solutions and methods to interrogate the data held within corporate databases.

Recommendation #8
Examine the opportunity for deploying integrated document management technology that will facilitate document flow through the corporation, to enable the automated collection, correlation and concentration of appropriate information.

Documents
The corporation has significant investment in imaging technology, which is now firmly entrenched in staff work processes. However, imaging technology alone cannot satisfy document management requirements, such as meta-data quality, information collation, and ease of access.

The corporation does not yet integrate all appropriate documentation concerning claim files. The situation can occur where staff are not aware of important documents relating to claim files, (such as memo's and electronic mail) or these documents are not easily accessible, because the documents are not consistently included as part of the imaging process.

5.3 Information Systems and Technology

Information systems and technology are becoming a critical part of every organization in dealing effectively with service delivery, operating efficiency and knowledge management.

WHSCC must fundamentally change how its Information Systems Department serves the rest of the business, in order to provide the staff with more effective tools to do their jobs, and to be more responsive to the emerging needs of future electronic access for employers and injured workers.

Some of the core computer applications have served the business well since the mid-1980's, but need to be replaced with more current user interfaces.

The following recommendations should be adopted by the WHSCC as it relates to its Information Systems and Technology operations:

Recommendation #9

Establish documented service levels and standards with the user community, published in a Service Catalog, based on Information Technology Infrastructure Library (ITIL) Services best practices. This is an international standard guideline for delivery of IT services.

Service Level Agreements

The department does not have any formalized service level agreements with any user group or other department. Some internal service levels do exist, documented as standards, such as in the turnaround time for the imaging of documents. From the business perspective, however, these Service Levels do not correlate to any other part of the process to handle a claims-related document.

Services and service levels are not generally documented, or communicated. The IS group does not maintain a Service Catalog to describe what work they perform, or publish what users can expect for service from IS.

Standards

Standards and guidelines exist for guiding parts of the development process, such as naming conventions for data fields and table names. However, there is no central repository for departmental standards, as most have been documented via historical memos and are not easily obtainable.

Recommendation #10

Reorganize the service delivery roles within the IS organization, in order to provide the appropriate service and performance levels to the management and staff of the Commission.

Help Desk

Increase the capability of the Help Desk function, by training resources to specifically provide a wider range of problem solving skills during the first initial call. Implementing this recommendation will dramatically increase user satisfaction, as well as release programming resources back to the development process.

System Quality Assurance (SQA)

Institutionalize a separate and dedicated SQA function within IS. Implementing this recommendation will increase system/data reliability and consistency, as well as release senior system resources back to the development process.

Architecture Roles

Establish central IS roles responsible for overall system architecture. The IS group does not have formal responsibilities for Technical, Application, Functional, and Data Architecture. Each of these areas represents the components required to create effective system solutions.

Technology Research

Formalize a role within IS which captures technology industry trends, and can present them to the business through the IT Governance process as opportunities.

Business Analyst
Establish a technology-savvy business representative within the IS group. This role represents the user community within the IS department, and acts as an advocate to ensure business solutions are implemented.

Training
Utilize a central training function within WHSCC. IT training is created, co-ordinated, and performed by the IS department. They should naturally be closely involved with this type of training, but the corporate training function should co-ordinate the administrative aspects of IT training, as well as integrate IT training with business training.

Voice Mail
The responsibility for voice mail currently rests with the Manager of the imaging group. A more appropriate alignment would be with the Manager of Technical Services/Support, along with the voice and data communications technologies.

Recommendation #11
Institutionalize a modern development methodology to enable predictable and repeatable application development and maintenance. This will also provide user input to all aspects of how IT serves the business, in terms of availability and tools, as well as functionality.

Methodology and Documentation
The System Development Methodology-70 (SDM-70) guides the current development and maintenance of applications within IS. The IS group have also created a customized activity called "GAD" (Group Application Development), which they use to involve the user(s) in a workshop setting for the initial requirements phase of application development.

There is no up to date repository of system documentation. The most recent system overview available was compiled in the early 1990's. This would suggest that the methodology in use is not effective in guiding the development process. The IS department have indicated that documentation is created whenever there is enough time allowed to do so, which, in turn, compounds the difficulty in making system changes. The purpose of a methodology is to ensure diligence in the creation and maintenance of applications. The documentation created as part of application development is used as a tool to facilitate this process.

The users feel they do not have the opportunity, and/or the knowledge, to challenge the architectural decisions made by the department, in the creation and/or maintenance of application systems. It is generally felt that the IS group determines the functional solutions themselves, and users feel obliged to comply.

Program Change Request vs. Release
Establish a 'release' philosophy and process to guide system development and maintenance, whereby multiple related changes are grouped and dealt with concurrently into one 'release' or new version of the system.

Recommendation #12

Create and maintain an overall architecture of the systems, applications, information and technologies in use or planned, in order to guide future IT investment decisions, application design decisions, and solution integration decisions. Develop at least a minimum level of documentation on each system and sub-system being used within the WHSCC.

Architecture and Documentation

There is very little documentation on the 'architecture' of the systems and applications in use today, which creates challenges in the following areas:

- knowledge of application interdependencies
- training / familiarization of new staff – both in IS as well as in the other Departments.

Recommendation #13

Develop and implement key performance indicators (KPI's) for IS. Develop a mechanism to represent and communicate the information to the organization.

Measurement

The IS department does not employ effective measurements to enable management of resources and system development.

Standard project metrics are not reported back to the system owner, or to the director, via the monthly report. The report is a commentary of reporting period activities, without an indication of detailed measurements. The format of this report, as well as several others examined, does not lend itself to easy interpretation of success or failure by the system owner. Interviews with users have verified that they do not understand the monthly report.

Recommendation #14

Due to the sensitive nature of the information under the corporation's control, and in light of existing and emerging security and confidentiality legislation in Canada, we recommend the Commission review industry best practices as a guideline for the establishment of an Information Security Management Services (ISMS) Framework within the corporation.

Security

An extensive review of IT security was not carried out as part of this assignment. However, a corporate security policy document was not discovered by DMR. Also, the role of Security Officer is not indicated on any organizational chart.

Security policies are not clear to the user community, as indicated during interviews. Some anecdotal discrepancies arose in the area of access to imaged claim documentation, in particular.

5.4 ORGANIZATION

The organizational context for WHSCC indicates a structure and functional alignment that is essentially unchanged over a number of years. In order to respond to the emerging Task Force recommendations, as well as to achieve the new strategic objectives, there are a number of improvements in functional alignment that can be made to increase the probability of success in getting there.

The following recommendations should be adopted by the WHSCC as it relates to its functional organization:

Recommendation #15
Align functions that service the key external stakeholders into logical groupings at the highest level of the organization – for example 'Employer Services' and 'Worker Services'. This creates more clarity from the stakeholder viewpoint as to whom to deal with for key services.

Internal Mindset Change
Employer Services would include key Assessment functions and Prevention functions. These units currently have a close affiliation in terms of the prevention focus in the workplace as well as the impacts of safety and accident performance on employer assessment rates.

Worker Services would include the key Entitlement functions, the Case Management functions, and Professional Services functions such as health care, and the linkage to key external service providers. All other functions would be supporting these delivery functions in some capacity.

Consideration could also be given to the renaming of these organizational units, and of certain key management positions as well.

Recommendation #16
Elevate the responsibility for financial management within WHSCC in light of the financial challenges of the workers' compensation system as a whole.

Fiscal Management
The nature and scope of the financial health of the system demands a more senior accountability and responsibility within the organization going forward.

With a renewed focus on understanding and managing the investments in Information Systems and Technology, and on the management of benefits coming from these strategic investments, there should be a close alignment of Information Systems with the senior financial organization for the next few years.

Recommendation #17
Establish a Corporate Planning and Governance process which would have co-ordination responsibility for the corporate strategy (Goals / Key Performance Indicators), Policy and Research functions, internal review, quality assurance, and overall program management.

Priorities & Corporate Change Management
Currently the senior management team deals with planning as a group, but the nature of the pending and future requirements for WHSCC over the next five years demands a focused function to coordinate support to them.

Internal Review and Quality Assurance
Moving the Internal Review function from Compensation Services/Support Services to this area will consolidate all functions related to quality of work, and for ongoing continuous improvement to one which is close to the key performance measurement and planning functions.

Special projects could also be driven from this functional area which have a corporate level impact on the organization, as the Task Force recommendations are implemented over the coming years.

Recommendation #18
Consolidate and manage all document management functions in order to improve current inefficiencies and quality challenges. This includes Mail Room functions, Imaging and Indexing functions, Records Management and Correspondence Management.

Information Quality Begins at the Front Door
There are inherent problems in document quality, duplication, in document filing, in document creation and distribution that can be resolved with better management of the information resources of the WHSCC.

The resources in the Mail Room and in Indexing require more training or more experience in order to reduce the level of errors which are higher than one would expect.

The word processing resources could also be incorporated into this new functional area.

Recommendation #19
Implement the Risk Assessment and monitoring function within Intake Adjudication as planned, to help in a triage role to direct only high risk claims to Case Managers.

Intake Adjudicator Capacity
The Risk Assessment tool should contain as much information regarding a new claim as can possibly be captured prior to the Intake Adjudicator seeing the claim, in order to minimize the additional information capture required to make a decision for redirection.

The internal WHSCC project team arrived at this conclusion from their work during the course of the DMR review. Our review supported its findings.

Recommendation #20
Consider the migration to an Extended Benefits Unit (EBU) in trial stages.

Intent to Create Case Manager Capacity
The organization has been examining the move to an EBU staffed with a focused team to relieve Case Managers of some of these more specialized longer-term claims, and allow for the newer pending demands coming from the Task Force legislation to be dealt with by the Case Managers.

Our only concern is the pace at which this is done.

Moving a large number of extended earnings loss claims to 2-3 people immediately could create the reverse of the problem the Department is trying to resolve with respect to improved service to the clients.

We suggest perhaps trialing the move with one unit in St. John's first for a few months. Measure it and decide on the next stage, which could be the remaining units in St. John's, then some consideration of how the regions might be handled.

Recommendation #21
Consider new roles coming out of the Task Force requirements related to an Early and Safe Return to Work (ESRTW) Program.

Potential New Positions
Potential new positions such as Labour Market Re-entry Co-ordinator, Labour Market Specialist, Mediator, Claims Advisor, ESRTW Co-ordinator, QA Auditor and Mini-Audit staff are being considered by WHSCC, in order to respond to policy and legislation surrounding duty to cooperate and duty to accommodate, and labour market re-entry planning.

The specific numbers of these positions required is still a bit of a guess until the specific policies, processes and actually doing it begins. As a general rule, we would recommend as lean as possible at the start, with the ability to add as volumes dictate.

In addition, increments to existing positions such as Intake Adjudicators, Support Staff, Internal Review Specialist, and Employer Registration representatives may be required due to increased expectation of workload and capacity due to these new program demands.

Service Delivery Model
The service delivery model around a ESRTW program should incorporate team structures which involve all critical disciplines from adjudication, case management, health care counsellors, physicians, prevention, investigators, and labour market re-entry specialists.

The teams could be grouped in some organizational 'units' or at least brought together in weekly diligence sessions whereby case managers can bring the difficult cases to the specialist team for immediate advice or counsel.

The way the Regional offices can bring the cross-section of staff together for discussion on challenging cases is an interesting case study. Trying to institute a similar model in St. John's with a much larger organization is not easy, but there is value in having active involvement from the Regional Directors in helping the organization create the new model.

As this program is better defined, the most appropriate organizational model will become clearer.

Recommendation #22

Incorporate a Quality and Continuous Improvement functional area within the organization, which would incorporate existing Internal Review functions, quality assurance functions, and would add more focus to ongoing continuous improvement.

Internal Review is a Form of Quality Assurance

The focus on quality will be critical as the new demands on the abbreviated internal review period are implemented, and as the organization works to improve quality on a proactive rather than a reactive basis.

This quality function could be added to the Corporate Planning and Governance function.

Recommendation #23

Make the Communications function responsible for all key communications channels to the WHSCC's external stakeholders in terms of information access and information distribution, and enhance the quality of these channels.

This would include the existing Information Officers (telephone response), Media Relations, as well as adding Reception, Web Site Content Management, and the WHSCC Resource Center to the Communications functional area of responsibility.

Clear and Consistent Service Required

Information Officers are not trained to deal with more than a cursory service to workers and employers. Future consideration should be given to determining how much specific information the organization wishes to have these agents handle, in order to minimize the wait times for workers, for example, to find out the status of their claim.

A consistent 'first impression' needs to be made by each key contact point with the Commission, whether it is someone calling on the phone, walking in the front door, or logging in to the web site.

NOTE: See Appendix A for a conceptual view of how some of these functional alignment recommendations would appear. The organization can fine-tune this view as the new roles emerge.

5.5 PEOPLE

The changes being recommended will not happen without WHSCC understanding clearly the impact on its people, and without knowing what additional resources will be needed to accomplish its objectives.

The following recommendations should be adopted by the WHSCC as it relates to its human resources:

Recommendation #24
Identify the champions and change leaders in the organization.

A Lot Is Happening
The organization is experiencing unprecedented change, and at an unprecedented pace.

Along with facilitation assistance from external resources, the WHSCC needs to have a few key people who are prepared to champion the change and ensure that it happens effectively. These people should have the respect, the knowledge, and the authority to lead the change program and should be results driven.

Recommendation #25
Develop an overall HR Strategy.

Know Who's Next
Implement a succession planning component of the program. There are some very good people here in management positions, but there has not been a lot of thought as to who is being 'groomed' for the role once they move to new roles or leave the organization. There are a few very key people with no obvious 'backup', and often resources are hard to find and attract.

Stick to Your Core Business
WHSCC is in the accident prevention, return to work and insurance business. There will be some temporary resource requirements, due to Task Force project activity, where the organization should consider contracting out rather than hiring new staff complement.

In some support areas of the business, such as in Information Systems, projects can be defined with a specific scope and timeframe and could be contracted out, but in a joint team approach.

Recommendation #26
Develop a Learning Organization Strategy to guide the training function.

Coaching and Mentoring
This happens quite informally now, but requires more formality. The demands on the senior people to leave their jobs and train the junior staff is 'robbing Peter to pay Paul' – the impacts are difficult. Consideration of migrating toward full-time mentors in specific areas should be evaluated in the context of an overall move toward a learning organization.

Life Long Learning

The subtle change from a training to a learning environment can help the organization and its staff adapt to the world of constant change, whereby the ownership over one's knowledge development is shared between employer and employee.

6 ACHIEVING THE NECESSARY CHANGES WITHIN WHSCC

The WHSCC has a significant challenge ahead as it responds to the new demands of the changes in the workers' compensation system, in meeting the additional recommendations coming from this review, as well as in continuing to 'run the business' with significantly improved services to injured workers and employers.

These changes cannot happen overnight. Some things become the most critical in order to respond to key legislative dependencies, while others may have to evolve over the next few years.

The organization will need the continued commitment of its knowledgeable resources, along with strategic external assistance in meeting this challenge.

6.1 AN ORGANIZATIONAL HEALTH ANALOGY

If we use the analogy for WHSCC's challenges as we might a sick patient in the health care system, we can plan our interventions in bringing the organization back to a healthy state using four stages as follows:

6.1.1 Stage 1 – Stop the Bleeding

The focus of this stage of change will be on the absolutely critical initiatives in the first six (6) months. These are the underpinnings for everything else the WHSCC must strive to achieve.

Many of these initiatives are already under way, but a few other things will be important to add to the list, especially the establishment of new strategic goals, measures and governance processes. This will be a very busy and disruptive period, and the organization will need some guidance and support from external change management resources, working closely with the management team and the internal change champions to help the staff cope with this demanding timeframe.

The organization will be communicating its changes clearly and frequently to all stakeholders, and staying the course on the new direction defined by the Task Force.

6.1.2 Stage 2 – Stabilize the Patient

The following year establishes the early implementations of many new programs and roles and responsibilities of the organization and the staff in dealing with the stakeholder responsibilities as defined by the Task Force.

The organization will be continuing to realign some functions in order to turn around the quality issues, to deliver improved services to injured workers and employers, and will begin to architect IT solutions following a set of defined priorities mapped to the business priorities.

6.1.3 Stage 3 – Assist Recovery

The next two years will begin to institutionalize the business process improvements, aided by the staged implementation of new information systems and tools. These systems will not only be for use by the management and staff of WHSCC, but also by employers, workers, service providers and vendors to exchange information electronically wherever possible through the introduction of secure, Internet-based transactions.

This period will also see the WHSCC beginning to achieve the real efficiency gains from the improved functions, business processes and information systems. It is during this stage when the opportunity to reduce administration costs will realistically be achievable.

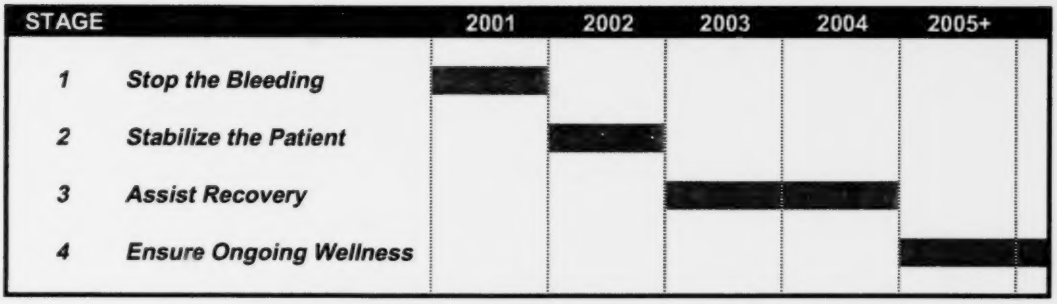
6.1.4 Stage 4 – Ensure Ongoing Wellness

The final stage will allow the organization to be able to manage change (which by the way will never stop) with forethought and consistently with business outcomes in mind. Injured workers and employers will be seeing significantly improved services.

Each new initiative and investment by the Commission will be evaluated through a business case or 'value case' approach, with a clear understanding of which strategic objective(s) it will support before it is initiated. Benefits surrounding the improvements to the major financial challenges in the workers' compensation will be measurable and will be trending in the right direction. There should be clear evidence that the mindset has changed, both externally as well as internally within WHSCC.

6.1.5 The Change Timeline

The following timeline should see the WHSCC recover from its current state to one where the system is being administered effectively, the unfunded liability is shrinking, and the stakeholders are all doing their part to have a sustainable workers' compensation system.



WHSCC Stages of Change

6.2 ALIGNING INITIATIVES AND OUTCOMES

The Task Force report presents a clear picture that helps to guide WHSCC for the near term. As a result, during the course of the review, DMR was able to do a couple of things that contributed to defining the plan for change defined in this report.

Firstly, we worked with the management team to define and ground on seven (7) strategic business outcomes which we feel reflect the target states that WHSCC will strive to achieve during the 'road to organizational health'.

6.2.1 The Strategic Business Outcomes

These outcomes were defined by the management team within WHSCC to be as follows:

WHSCC Operating More Efficiently
Prevention Focus Achieving Results
Workers and Employers Better Served by WHSCC
Financially Secure
Stakeholders Sharing Responsibility for Changes
Knowledgeable Employees Satisfied & Retained
Stakeholders Recognize WHSCC More Efficient & Effective

These outcomes will now need specific key performance measures defined for them by the management team, so that the WHSCC can monitor its relative achievement of the benefits associated with each of these strategic drivers throughout the change program.

This move to **'outcome-based thinking'** is the start, but not the end.

6.2.2 The Roadmap for Change

The second opportunity was to define a preliminary 'roadmap of change', which illustrates the major set of initiatives that the WHSCC must undertake in order to realize the benefits from its strategic outcomes.

This roadmap is a *starting point.* Like any planning tool, it must be revisited and refreshed on an ongoing basis, in order to recognize:

- Impacts of new risks and assumptions coming from changes in the business climate;
- Impacts of new legislation;
- Impacts of benefits which can no longer be attained;
- Impacts of new, emerging benefits not foreseen;
- Ownership and accountability for harvesting these benefits; and
- Measurements towards the progress of achievement.

As well, portions of this roadmap can be drawn at another level of detail in order to better understand specific benefits and initiative dependencies.

A **fundamental principle** can be derived from this technique – unless you can clearly show a linkage between a planned initiative and its contribution to one or more of the seven (7) strategic business outcomes, it is either:

- Lower priority than other initiatives,
- Should be combined with other initiatives to strengthen its 'business value', or else
- It should not be done.

The roadmap was developed using a result chain technique, and will be reviewed by the WHSCC management team on a regular basis during its planning and governance processes.

6.2.3 Key Initiatives

For the purposes of this Business Process and Information Technology Review report, we have taken the set of recommendations in Section 5 and grouped many of those specific elements into the following change program initiatives which should be undertaken over the next 18-24 months.

These initiatives include:

- Establish Corporate Planning / Governance Process
- Develop IT Governance Process
- Implement Change Management Framework
- Establish Balanced Scorecard and Corporate Measurements
- Continue to Implement Internal Improvement Projects
- Capacity Review
- Re-Align Functions
- Elevate Financial Management Role
- Develop HR Strategy
- Strengthen Quality of "Front Door" Functions
- Define IT Architecture, Strategy and Delivery Improvements

The implementation of these initiatives will position the WHSCC to operate more efficiently, and to deliver much higher quality services to injured workers and employers.

Initiative Name:	Establish Corporate Planning / Governance Process
Recommendations:	**#1, #2, #17**

Summary:
Implementing the Planning and Governance process must be a first step. Priority setting and change management will need a particular focus for the next few years. The senior management team will define a corporate strategy and establish a set of goals with appropriate measures for evaluating progress and attainment. Completion of the Balanced Scorecard project is recommended, as the management team will embrace it.

All major initiatives will be evaluated on their fit to strategic direction in order to recognize their value and impact. (Create an 'Outcome' based mindset for all efforts)
This new function will be responsible for setting the guidelines for proposing initiatives, ensuring consistent application of the guidelines, establishing the process for authorization, and monitoring status.

Drivers / Benefits:

- The CEO is recognized as a change agent and many staff are willing to support the Task Force 'Changing The Mindset' thrust.
- Task Force and related initiatives have placed significant demand on the organization. Many of these require the involvement of the same resources.
- Basic service must continue while change becomes part of the process.
- Implementing a governance process will establish rules around the identification of project requirements, resources, impacts and expected benefits.
- Will bring an outcome-based mindset to the management team regarding targets, measures and ownership.

WHSCC Strategic Goals Supported:	▪ Operating More Efficiently ▪ Improving Service ▪ Fiscal Management

Approach:
Establish a Planning and Governance group led by a senior manager reporting to the CEO. The group will be responsible for leading the definition and communication of the corporate strategy, goals, and measures. Group will manage the governance process and provide leadership and coaching regarding corporate expectations for internal initiatives.

Key Concepts:	▪ Corporate strategy, goals and measures are defined ▪ Programs are aligned to corporate strategy ▪ Balanced view of service focus and efficiency gains ▪ Innovations and new ideas are encouraged ▪ New standards and expectations ▪ Low value options are dropped early via selection criteria ▪ Value of investment in projects is increased ▪ Benefits are recognized and managed ▪ Results are communicated

Execution Stage: Stop the Bleeding

Initiative Name:	**Develop IT Governance Process**
Recommendations:	**#4**

Summary:
Information Systems projects should be focused on business outcomes with budget support from key department managers. A process should be implemented which will identify IT alignment to corporate strategy and identify the impact on other IT projects.

Projects which have a focus on Application and Technology upgrades should be supported by business benefits, risks of not doing, and risk mitigation strategies.

Drivers / Benefits:

- Information Systems do not respond to user needs in a timely manner. The demands exceed capacity and IS decides on priority, based on an unstructured escalation process.
- Task Force initiatives and basic business requirements will place significant demands on the IS resources in the immediate term.
- IT decisions will be aligned to strategic drivers and will point to the business benefits for which the information systems are required.
- Future IT investments will provide staff the tools to give superior service to injured workers and employers
- Staged capability for delivering new electronic channels for claim submissions and status, information dissemination, vendor invoicing and payments, and interagency matching.

WHSCC Strategic Goals Supported:	▪ Near term Task Force Initiatives ▪ Reduced cost of operating ▪ Workers and Employers better served by WHSCC ▪ Appropriate tools provided to staff ▪ Knowledgeable employees satisfied and retained

Approach:

- Planning and Governance group to work with IS manager to define criteria for project value assessment.
- Departmental process owner (requestor of the IT solution) engages IS staff to help build value case for initiatives or projects.
- IS department remains the driver for IT infrastructure replacements and upgrades and brings business case forward to governance process.

Execution Stage: Stop the Bleeding

Initiative Name:	**Implement Change Management Framework**
Recommendations:	**#3, #21, #24**

Summary:
To meet the goals set out by the Task Force and the strategic requirements to change the mindset internally and externally; there are many changes required in procedures, processes and organization.

Change has been the norm in most organizations and it is true at WHSCC. Many believe they are able to deal with the change required since they have dealt with it in the past.

The intent and direction displayed by the Board, CEO and the Government has resulted in the acceptance of the Task Force report and approval of legislative proposals. The change required to respond to this new vision exceeds any previous demands.

Today there is a requirement to place a focus on managing the change to ensure targets are met, risk is mitigated, and staff are motivated.

A team of change leaders supported by external expertise should be established to lead and manage the required change.

Drivers / Benefits:
- Legislation and associated policies require implementation, Information Systems changes, staff training, communication, monitoring
- Focus on prevention and new roles with employers
- Focus on Early and Safe Return to Work with injured workers and employers
- Reduced intervals for service response to injured workers and employers
- Better management of claims
- Establishment of strategic drivers and objectives

WHSCC Strategic Goals Supported:	▪ Near-term operational improvements ▪ Reduced cost of operations ▪ Injured Workers and Employers receiving superior service ▪ Unfunded liability reduced

Approach:
- Establish change management leadership team reporting to CEO.
- Execute the change program over the next 12-18 months.
- Utilize external expertise to help guide the process, support the management and staff, and provide additional capacity in the first year or two.

Execution Stage: Stop the Bleeding (Begin)
Stabilize the Patient (Continue)

Initiative Name:	**Establish Balanced Scorecard & Corporate Measurements**
Recommendations:	**#2, #13**

Summary:
A Balanced Scorecard project was initiated last fall and the preliminary training of the management team regarding the definition of four key perspectives, performance indicators and measures, was completed.

Traditional financial measures are necessary for the health of the Commission, but are inadequate for determining the value returned through investments in customer relationship, employees, usiness relationships, internal processes, and continuous improvement.

The Balanced Scorecard approach is valuable in keeping a focus on these other areas as well as the financial performance. Managing by balanced objectives is often seen to be difficult but the alternative is often disastrous. Such a process enables the rationale for selecting what business improvements to make first. It enables managers to identify best practices and apply them to other functional areas.

Once the KPI's and measures are established, then the necessary data can be selected to provide the required reporting for management decision making.

DMR utilizes a Benefits Realization and outcome management process to support management in the achievement of results.

Drivers / Benefits:
- Financial issues
- Stakeholder expectations
- Legislative changes
- Desire to know there is achievement
- Managers are taking a balanced view of objectives
- Employees see evidence they are part of the plan

WHSCC Strategic Goals Supported:	▪ All of the Commission's strategic goals

Approach:
- Continue with the development of the Scorecard initiative
- Ensure it is tightly coupled to the Governance process

Execution Stage: Stop the Bleeding (Begin)
Stabilize the Patient (Continue)

Initiative Name:	Continue to Implement Internal Improvement Projects
Recommendations:	**#5, #6, #19, #20**

Summary:
The projects included the examination of:

- a Risk Assessment framework in Intake Adjudication to be able to screen and direct only high risk claims to Case Managers,
- an Intake Review, examining the workload and roles in this functional area;
- an Extended Benefits Unit, for management of Extended Earnings Loss claims;
- improvements to Medical Aid payment processes; and
- a Prevention Disability Management Compensation Delivery Model, a way to better integrate the prevention and case management functions in the return to work areas.

DMR concluded they are appropriate, will bring value and should be continued. The focus is service delivery improvement. The teams assessed the existing processes to determine the constraints and disconnects that are in the existing processes.

The observations and recommendations should be evaluated to determine a strategy for implementation considering the relative priority of the many other Task Force initiatives. This would be done in the Governance process.

Management should review the options of contracting out some of the implementation work since there appears to be some quick hit opportunities. One example is in Medical Aid where there is potential cost reduction utilizing 'Preferred Vendor' relationships, which could be accomplished by contracting the work to a purchasing consultant.

Drivers / Benefits:

- These projects were excellent team building exercises, engaged staff from various departments, and broadened their understanding of issues around service delivery.
- There is a keen interest amongst the teams to see the service improvements implemented.
- The benefits include reduction in process steps, better service to injured workers, reduction in direct costs, and potential reduction in claims.

WHSCC Strategic Goals Supported:	▪ Near term operational improvements ▪ Service delivery to stakeholders ▪ Reduced time to respond to claimants - reduced cost ▪ Workers and Employers receive better service ▪ Employee satisfaction increased

Approach:

- Review recommendations to determine implementation strategy, resource availability, and appropriate timing. Focus on areas where there are identified cost and service benefit (quick-hit) opportunities.

Execution Stage: Stop the Bleeding (Begin)
Stabilize the Patient (Continue)

Initiative Name:	Capacity Review
Recommendations:	**#1, #21**

Summary:
There are approximately 45 initiatives related to the Task Force and associated legislation that often requires the involvement of the same staff. The management team have laid out the tasks for each of these initiatives but the assessment of impact on staff availability and the impact on existing responsibilities has not been done.

One example is the training required for case managers. What is the impact on existing work activities and what is the most appropriate schedule for training and quality assessment?

A capacity review would evaluate the requirements against availability of key staff, assess the impact and priority of the initiatives, and propose solutions.

Drivers / Benefits:
- The implementation of the processes and procedures regarding the new legislation
- Near term Task Force requirements met without delay
- Near term operational improvements

WHSCC Strategic Goals Supported:	• Reduced cost of Operations • Prevention Focus is initiated • Stakeholders seeing improvements in the near term

Approach:
- The project analysis work that has been accomplished to date needs to be reviewed and expanded to include the staff resource requirements by functional area – using the governance process.
- The conflicts of availability and utilization, or length of time per task, will be identified through the use of a project management tool.
- Priorities will be reviewed and decisions on options will be presented, regarding existing staff or contract externally to meet proposed timeframes.
- Schedules can then be established for affected groups based on priorities.
- The issue here is the intent to accomplish a number of tasks using internal resources. The pattern of use and impact on existing work and other related activities has not been assessed. It is unlikely the number of full time equivalent (FTE) resources required would be available while maintaining basic work functions.

Execution Stage: Stop the Bleeding

Initiative Name:	**Re-Align Functions**
Recommendations:	**#15, #16, #17, #18, #22, #23**

Summary:
The organization should align functions to focus on key stakeholders (both internal as well as external), with the view of directly serving the client or serving someone who is serving the client. Two areas of focus should be 'Employer Services' and 'Worker Services'. This creates more clarity from the stakeholder viewpoint as to whom to deal with for service.

Employer Services would include Assessment functions and Prevention (Health and Safety) functions. *Worker Services* would include the Entitlement functions, the Case Management functions, and Professional Services functions.

All other functions would be supporting these delivery functions in some capacity.

The Internal Review function would be better placed along with a new Quality Assurance and Continuous Improvement function under Corporate Planning and Governance.

The consolidation of several diverse functions into a Document Management function would improve the quality and consistency of document creation, filing, retrieval, and dissemination.

Drivers / Benefits:

- Changing the mindset includes an expectation on the part of injured workers and employers of improved service.
- There needs to be a focus on client service management not just tactical problem solving.
- Service improvement requires the streamlining of processes and these can happen more quickly within a division of responsibility.

WHSCC Strategic Goals Supported:	▪ Near Term operational improvement ▪ Employers and Workers better served by WHSCC ▪ Claims processing times reduced ▪ WHSCC operating more efficiently ▪ Prevention focus achieving results

Approach:

- Reorganize in stages, initially at the top to demonstrate visibility to key stakeholders and then align functions in support of the governance thrust.

Execution Stage: Stop the Bleeding (Begin)
Stabilize the Patient (Continue)

Initiative Name:	Elevate Financial Management Role
Recommendations:	**#16**

Summary:
The Finance department has been proactive in managing the ever-increasing complexity of accounts and relationships to customers and suppliers. They were the driving force in the evaluation and selection of the JD Edwards system and in proposing process improvements. This model of ownership of a project, which involves Information Systems, is encouraged.

The financial challenges faced by WHSCC and the recommendation to create an outcome-based mindset, require the increased involvement regarding financial measures and expectations. A key element of the balanced scorecard is financial health and the performance expectations need to be defined and managed. Information should be recognized as an asset since so much value will be placed on reporting performance improvements.

Projects should have benefits defined that can be translated into financial impacts. The comparison of these and the priority setting require confidence that a set of standards is followed. Opportunities for cost reduction, which are often operational department issues, should be searched for and alternatives that improve cash flow should be investigated.

Drivers / Benefits:
- To reduce costs wherever possible
- Receive appropriate value for investments and relationship with institutions
- Elimination of unnecessary processes
- Lead in the establishment of measures and standards

WHSCC Strategic Goals Supported:	▪ Financial Security ▪ WHSCC Operating More Efficiently ▪ Reduced Cost of Operations

Approach:
- Financial stability recognized as a cornerstone of the balanced scorecard
- Finance should be proactive in their role as a key to the financial health and bring a financial benefits focus to all Commission decision making.

Execution Stage: Stop the Bleeding

Initiative Name:	**Develop HR Strategy**
Recommendations:	**#25, #26**

Summary:
Many of the roles have unique skill requirements which are provided for by hiring staff with a core set of technical skills such as nursing or computer software background and then training for the specific and unique elements. The training to meet the level of competence required for some positions takes weeks, and with coaching and mentoring for some additional period of time.

The risk to the Commission is staff turnover and the impact on service levels. Individuals want to grow and develop; and the culture today is much more geared toward life-long learning resulting in demands for opportunities and increased job satisfaction.

The 'Changing the Mindset' vision brings new business drivers and the need to develop management strengths for service improvement and succession planning.

Critical skills, competitive opportunities, increased job pressures all contribute to the need for a HR Strategy that will enable the hiring, development and retention of staff.

Staff have communicated an interest in doing a good job and recognize the need for training, mentoring, teamwork and continuous improvement. The demands of work take precedence and a strategy for development has to be embraced to achieve a learning culture, which will assist in retention as well as service improvement.

Drivers / Benefits:
- Ensuring staff are service oriented, competent in decision making, and willing to support the new vision is key to meeting the goals of WHSCC.
- The scale of change required in the next year may be overwhelming for some staff.
- Competition for skilled resources is growing.
- Compensation levels may be low resulting in loss of critical resources.
- No succession plan in place today.

WHSCC Strategic Goals Supported:	▪ Knowledgeable employees satisfied and retained ▪ Workers and Employers better served by WHSCC ▪ WHSCC operating more efficiently

Approach:
- The HR strategy will deal with the longer-term retention, development and succession planning.
- There are some immediate tactical requirements regarding training and co-ordination of assignments and the communication of what and why of legislative changes which HR should support or manage.
- Utilization of contract resources for selected requirements.

Execution Stage:	Stop the Bleeding (Begin) Stabilize the Patient (Continue)

Initiative Name:	Strengthen Quality of "Front Door" Functions
Recommendations:	**#18, #19, #22, #23**

Summary:
A heightened awareness of the first point of contact plays in the effective and efficient dealings with the Commission's stakeholders. The processes surrounding the receipt and distribution of mail, claim registration, imaging, front line adjudication and telephone support by the Commission's Information Officers must be reviewed and strengthened.

Drivers / Benefits:

- Processing of documents received by the commission must be conducted in a more timely manner.
- Accurate and timely information received and processed by the commission will reduce the processing time of claims.
- First impressions are everything in terms of demonstrating higher efficiency and effectiveness to stakeholders.

WHSCC Strategic Goals Supported:	▪ Workers and Employers better served by WHSCC ▪ Stakeholders recognize WHSCC more efficient and effective ▪ WHSCC operating more efficiently ▪ Improved quality of documents entering files ▪ Increased client satisfaction

Approach:

- Determine key areas for quality improvement and make improvements
- Retrain or hire correct competency
- Effective management of the resources in each of the "front-door" areas.

Execution Stage: Stop the Bleeding (Begin)
Stabilize the Patient (Continue)

Initiative Name:	Define IT Architecture, Strategy and Delivery Improvements
Recommendations:	**#7, #8, #9, #10, #11, #12, #13, #14**

Summary:
The IT Architecture and Strategy provide the destination and the roadmap to get there. Architecture is the blueprint or the comprehensive 'picture' of technology deployed to satisfy business requirements. **A preliminary view has been prepared and is found in Appendix C.**

The IT Strategy describes the business goals to which the technology must be aligned. This description is used to guide the decisions affecting technology over the long term.

The implementation of methodologies, standards, and strengthening of roles will lead to more effective delivery of IT services to the Departmental users in WHSCC, and eventually to external stakeholders.

Drivers / Benefits:
- Consistent and comprehensive view of IT
- Improves impact analysis
- Improves communication
- Ensures corporate and business directions and goals are aligned

WHSCC Strategic Goals Supported:	▪ IS Department Delivering Priority Service to WHSCC ▪ Staff Have the Proper Tools to Work Effectively ▪ Workers and Employers better served by WHSCC ▪ Knowledgeable Employees Satisfied and Retained

Approach:
- Establish baseline architecture for current technology deployment
- Identify strategic business goals affecting IT
- Develop target architecture and roadmap to achievement
- Implement the other IT service delivery improvements.

Execution Stage: Stabilize the Patient

There are a number of future initiatives which will be further defined beyond the first two years, such as the strategic IT capabilities which the organization will determine in its revisited IT Strategy.

The initiatives outlined in this report focus on the most urgent things in the first two years of change.

7 PRELIMINARY BUSINESS CASE VIEW FOR CHANGE

The business case for the changes recommended in the review are grounded on the following:

- Many changes are happening as a result of the critical Task Force recommendations, and investments need to be made to support those recommendations;
- The value of the system-wide impacts of the changes are far greater than the operational efficiencies which will eventually be achieved; and
- There is still plenty of risk in coping with these changes throughout the entire stakeholder group, including the WHSCC.

7.1 RISKS AND ASSUMPTIONS

The following risks and assumptions need to be understood in moving forward with the implementation of WHSCC's Change Program.

- The general assumption is that the WHSCC must invest more in administration costs in the first 2-3 years in order to address the new administration requirements defined by the Task Force before being able to accomplish the longer term benefits of improved efficiency;
- There are potential significant cost savings in the workers' compensation system as a result of the planned legislative changes and new programs defined in the Task Force report. It is also very important to realize that the **maximum achievement of these benefits will not be reached unless the planned changes and new programs are managed effectively by the WHSCC**, enabled by many of the recommendations in this report;
- The specific level of investment for these change initiatives assumes some level of 'business as usual' involvement of internal staff as well as incremental costs expressed at an order of magnitude level at this point;
- The suggested timing of the initiatives in this report is preliminary. Only when the Strategic Governance and IT Governance Initiatives have been done will the true capacity and timing of these initiatives be better known;
- The true impact on the organization of WHSCC staff monitoring stakeholder participation and responsibility in 'changing the mindset' is unknown – this will impact the pace of change;
- The expected long-term benefits will need to be **monitored and managed** in order to maximize the impact on financial self-sufficiency.

7.2 Investments Required

The WHSCC must invest more in administration costs in the next 3-4 years in order to address the new administration requirements defined by the Task Force, and in the new strategic initiatives, before being able to accomplish the longer term benefits of improved efficiency. This will require investments in some additional staff for the short term, in new systems and technologies, in training and in external resources for strategic change management.

Compared with other jurisdictions in Canada, WHSCC has generally had a lower percentage of administration costs to benefits paid, even though claim volumes and future benefit costs have increased significantly over the past three years.

It is now time to invest for the future, in positioning the WHSCC to meet today's challenges of poor financial health, and to move to an organization delivering superior services to injured workers in an affordable and sustainable workers compensation system.

7.3 Near Term Benefits For WHSCC

At the same time as there may be a few initiatives which could begin to derive immediate benefits for WHSCC, these will not be sustained without the critical governance functions and processes being established as soon as possible. These will set the new targets and the new measures for success.

Unless the staff know and understand what will make both them and the WHSCC successful, the achievement of significant gains will be slow and there will only be incremental improvement.

The "roadmap for change" is really a tool for helping the WHSCC understand **how** the strategic goals for change will be met with strategic investments in key initiatives. Each of these initiatives contributes to intermediate outcomes which have value – some financial, some less tangible but no less important.

These intermediate outcomes also lead to the larger benefits of "changing the mindset" and turning the financial position around to one of self-sufficiency over time.

7.4 Harvesting the Larger Benefits

As has been mentioned earlier, the real impacts in the reduced costs of the workers' compensation system come with the proper administration of the new legislation and policy changes that the Task Force has recommended, and that government and stakeholder groups are supporting.

These costs are significant, and the potential system-wide savings over the next decade due to a change in mindset of all stakeholders will ensure that the workers compensation system is sustainable in Newfoundland and Labrador – but the benefits must be managed.

7.5 Improved Services To Injured Workers and Employers

Changing the Mindset is also about improved service delivery. As a balanced change program is implemented, the WHSCC must not lose focus on its key external stakeholders.

The initiatives and recommendations proposed in this report should enable the following benefits to injured workers and employers:

Improved Services to Injured Workers
The initiatives undertaken by WHSCC should see the following improvements, among others, in services to injured workers:

- Future electronic claim submission capability
- Faster and better claim adjudication
- Reduced time to first payment
- Improved return to work program
- Employers working harder to maintain safe work environments for workers
- Reduced number of accidents

Safe Workplaces and Affordable Rates for Employers
The initiatives undertaken by WHSCC should see the following improvements, among others, in services to employers:

- Future electronic payroll reporting capability
- Fair and equitable assessment rates linked to prevention performance as well
- Electronic access to claim history and trends
- Safer work environments for workers
- Reduced number of accidents
- Reduced number of claims

APPENDIX A – TARGET FUNCTIONAL REALIGNMENT

This following chart represents one view of how our collective recommendations around a **targeted functional realignment** might look. This view incorporates existing business functions where no specific recommendations were noted as well as the changes discussed in our report.

The organization cannot reach this revised alignment overnight. It will take 2-3 years to arrive with this potential functional view, given the number of other changes that are being dealt with at this time.

Employer Services

Prevention

- Health & Safety Programs
- Training
- Standards
- OH&S Committees
- DOL Cooperation

Assessment

- Registration and Classification
- Rate Setting
- Audit / Collections
- Risk Management
- Billing

Worker Services

Entitlement

- Assembly
- Adjudication
- Risk Assessment

Case Management

- Liaison with Worker and Employer Representatives
- RTW Management
- Intervention Management
- EEL Management
- Labour Market Re-entry
- Medical Aid Adjudication
- Mediation Services

Professional Services

- Health Care Professionals
- Medical Officers
- Liaison with External Service Providers

Support Functions

Human Resources

- Salary Management
- Hiring
- Labour Negotiations
- Reward / Recognition
- H&S Internal
- Training

Internal Audit

- Operational Reviews
- Support to External Auditor

Finance

- Accounting
- Purchasing
- Revenue Management
- Investment Management
- Medical Aid Payments

Legal

- Judicial Review
- WCRD Issues
- Corporate Counsel
- Third Party Claims
- Investigations

Communications

- Media Relations
- Internal / External
- Customer Contact
- Web Site Content
- Resource Center
- Reception

Corporate Planning & Governance

- Planning and Priorities
- Value Management
- Policy and Research
- Key Performance Indicators
- Business Case Reviews
- Internal Review
- Quality Assurance
- Service Provider Performance Monitoring

Facilities Mgmt.

- Leases
- Asset Management
- Buildings / Grounds

Document Mgmt.

- Mail
- Imaging
- Word Processing
- Records Management

Information Services

- Technical Services, Help Desk and Support
- Application / Database Development
- Application Support
- IT Operations (Networks, Telephony & Platforms)
- System Quality Assurance

Targeted Functional Realignment

APPENDIX B – OTHER WCB JURISDICTIONS

WHSCC looks to other workers' compensation jurisdictions for ideas and shared knowledge.

Recent examples are as follows:

- in the WHSCC's Submissions to the Task Force, where an examination had been made of what other provinces have done in relation to a specific policy or in relation to some business processes;
- in the Commission's examination of the Ontario model for service delivery and elements of the Early and Safe Return to Work program;
- with the internal projects such as the Risk Assessment project, the examination of an Extended Benefits Unit, and the alignment of Health & Safety with the Case Management functions;

During the course of this review, DMR also examined a few of the other jurisdictions in terms of:

Functional Alignment and Organization

The recommendations around the proposed functional alignment in Appendix A came from examination of organizational structures from

- Ontario
- British Columbia
- Saskatchewan
- Nova Scotia
- PEI

Many of the other jurisdictions are constantly reorganizing – some 'current' organization charts are no longer 'current'. Some of the alignments are quite similar and others are quite unique.

Our recommendations came from examining these as well as understanding how WHSCC would be able to make adjustments given current alignments, current processes and current resource competencies.

Opportunity for Sharing Solutions or Systems

In examining what potential information systems solutions might be appropriate here in Newfoundland and Labrador – the opportunity could be the design concepts, parts of the solution software itself, or perhaps the opportunity to share solutions in a distributed fashion – the focus was on the Maritime jurisdictions.

WCB of Nova Scotia

The WCB in Nova Scotia is making a significant investment in the coming year in two systems improvement technologies – integrated document management for electronic claim files, and data warehouse tools.

They are very interested in pursuing joint opportunities to share ideas, solutions and future IT investments. Their proximity also provides opportunities for discussions around shared services, and potentially shared future development of IT capabilities.

Their technology environment is similar to WHSCC's – both using IBM AS/400 computers and both with aging core application systems.

During the later stages of our review, a demonstration of their planned electronic claim file application was given to the directors of WHSCC. This allowed them to 'imagine the possibilities' from what will be very innovative use of some current technologies for Nova Scotia's case managers, adjudicators, medical consultants, support staff, management and even the front line information line attendants.

WCB in Nova Scotia have also integrated their employer registry with the provincial business registry and with the Canada Customs and Revenue Agency, providing one-stop shopping for employers, and immediate knowledge of new employers in the province.

New Brunswick

We are aware that WHSCC in New Brunswick is implementing an Internet-based claim submission alternative for injured workers and employers.

As a future consideration for WHSCC here, the alternative of pursuing what has already been built should be examined before building your own system from scratch.

There Is No Perfect Fit

A common theme emerges in that there is no 'silver bullet' solution in these other places – they too are looking at their counterparts for ideas, best practices (if they exist) and ways to improve their effectiveness and efficiency.

What works in another jurisdiction may not work here in Newfoundland and Labrador, due to the scalability or due to other technology constraints.

What will be important, however, is to not stop looking and to look beyond the workers' compensation system to others such as the insurance industry in general. Many of the benefits they are beginning to derive from strategic use of integrated document management and data warehouse technologies (to name a couple) can also apply here.

APPENDIX C – CONCEPTUAL IT ARCHITECTURE

This conceptual architecture has been defined as a starting point for the WHSCC Information Systems organization. It helps to provide an objective view of how the future IT investments can be planned, so that the solutions delivered to the WHSCC staff, and eventually to the external stakeholders, will be of high quality, high value, will be more integrated, and will evolve with forethought and insight.

The purpose of a Conceptual Architecture is to provide a high-level framework for Information Technology. The framework contains "placeholders" for technology components, as well as demonstrates possible connectivity alternatives.

In this circumstance, this representation depicts the target configuration for the WHSCC. This target architecture addresses some of the issues discovered during this review, including:

- improved and updated user interface;
- reduced development cycle;
- reduced reliance upon outdated development tools;
- increased potential for access to skilled resources;
- improved access to information;
- improved integration of electronic information
- increased capability for additional interfaces;
- consistent access rules.

The architecture is presented in the form of three "views":

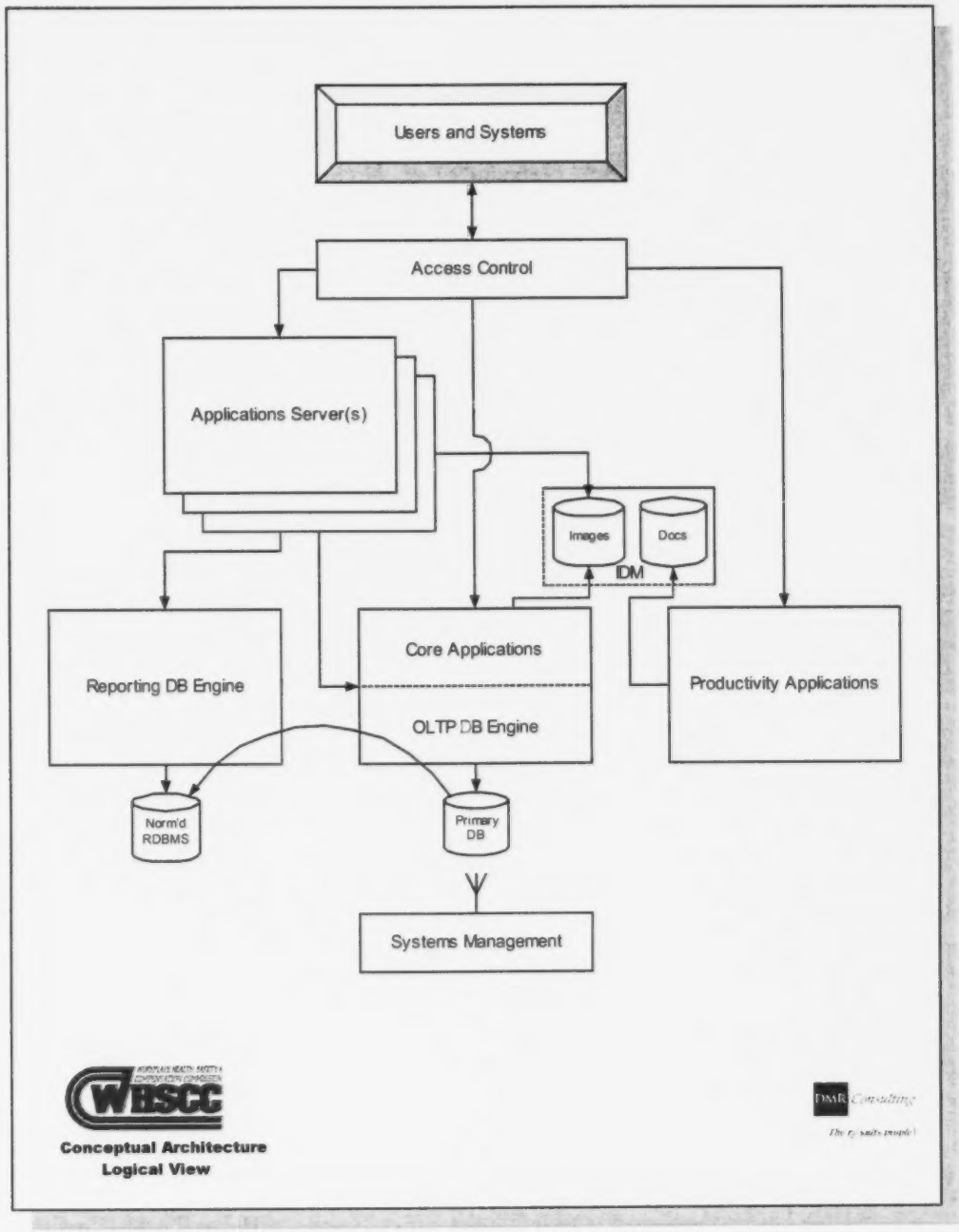
The **Logical View** depicts the major components of the architecture, and is followed by a brief description of their purpose and contribution to the architecture.

The **Physical View** represents a possible connectivity alternative, followed by narrative describing some of the view's components.

Finally, the **Information View** presents the major areas of data within the corporation, followed by an explanation of these subjects.

This Conceptual Architecture is not meant to displace the architectural work which will need to be carried out by the corporation. It should only be used as a starting point for its development.

Logical View



The following are the key components of this architecture:

Users and Systems represent the end access points to the system. The user interface must strive to become standardized into fewer workstation-side components, as well as update the interfacing functionality to utilize more modern usability features. Ultimately, a web browser will likely remain as the sole access mechanism to all corporate applications.

Access Control represents the *Permission Management* component of the architecture. A corporate Security Policy will dictate the objectives and controls to be implemented, which will drive the requirements for the consistent access mechanisms and protocols.

Application Servers represent the middle layer of the architecture, and serves as a residence for facilitating technologies, such as business logic/business object applications, messaging services, and transaction processing monitoring. This component reduces reliability upon aging technology, as well as provides flexibility for future technology investment decisions. This component will also provide access to the production data.

Core Applications/OLTP DB Engine represents both the existing applications and current production database platform, respectively. Moving to a target architecture will require the application systems support business as usual, as migration is underway. Eventually, this component will likely be dedicated to serving the corporate applications exclusively as an enterprise database server for Online Transaction Processing (OLTP).

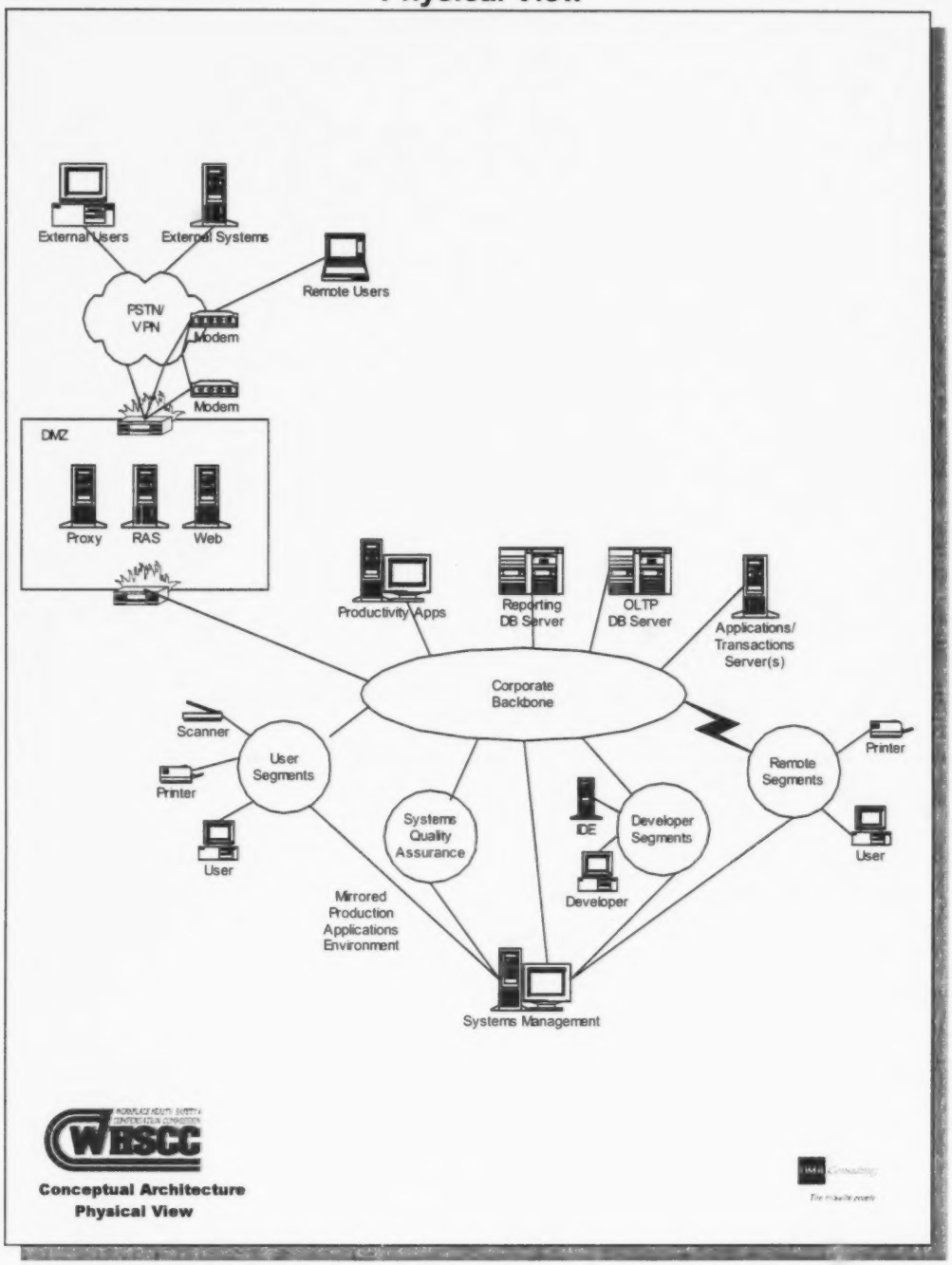
Productivity Applications represents the software that the corporation deploys to perform standard back office functions, such as word processing, electronic mail, and spreadsheet manipulation.

Between the previous two components lies the concept of **Integrated Document Management (IDM)**. Both production data and productivity applications will contribute to the IDM functionality.

Reporting DB Engine represents the separate collection of data, reorganized in a manner that facilitates collation and access to the data. This component is dedicated to serving the corporation's information needs. It will be populated from the production OLTP database.

Systems Management represents the operational processes and tools required to effectively manage the corporate Information Technology, ensuring appropriate deployment to maximize corporate capability.

Physical View



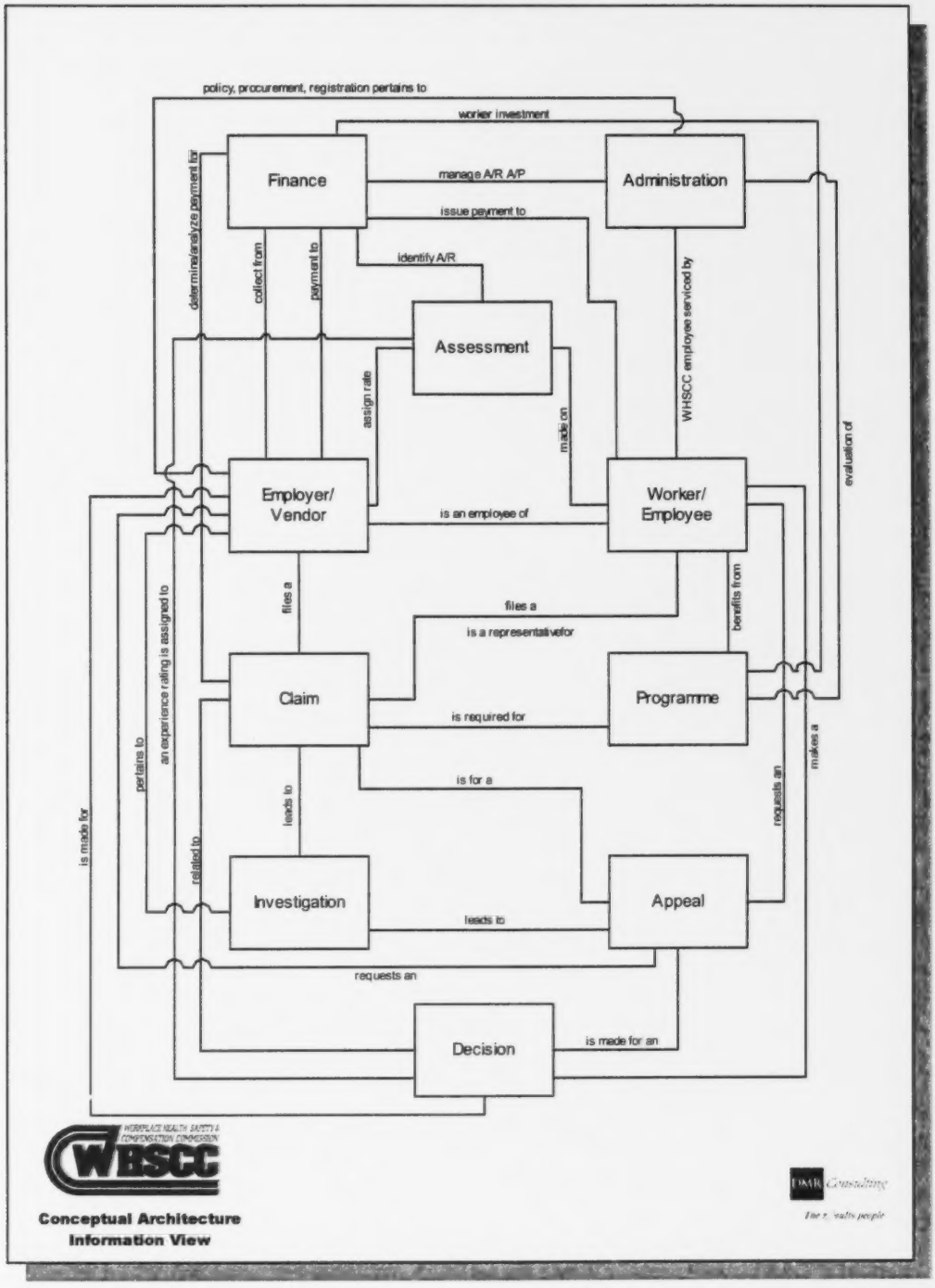
The following are the key components of this architecture:

The **De-Militarized Zone (DMZ)** is a common concept present in today's Information Technology Architectures. This "no man's land" implements an extra security layer, or buffer between external access points and internal systems and data. The DMZ implementation, guided by the Corporate Security Policy, will gain growing importance as WHSCC increases access to internal systems and data.

The DMZ will possibly contain technologies such as Proxy servers for access to and from the Internet; Remote Access Services (RAS) for provisioning occasional and/or non-dedicated user access; and web-related servers for public Internet provision. External end points are likely to access WHSCC applications and data using Public Switched Telephone Network (PSTN) and/or Virtual Private Network (VPN) connections.

This *Physical View* also introduces a new environment to the Architecture, implemented for **Systems Quality Assurance**. This set of technology facilitates a diligent approach to Regression, Integration, and System Testing phases of modern development methodologies.

Information View



This view represents the major information components of the Conceptual Architecture, organized into "subject areas". A subject area is a merely a high level grouping of information, related by common definition, content or by business function use. Important relationships are also depicted in this diagram.

The Information View is for presentation and communication purposes only, and does not replace data modeling activities carried out during architecture.

The subjects in this view represent:

Finance - financial information within the WHSCC related to premiums payable by employers, benefits paid out to workers for workplace accidents and occupational diseases, and for expenses to cover WHSCC employees and WHSCC programs.

Administration - the administrative information within WHSCC including human resources, facilities, infrastructure and policy, external agreement data and acts and regulations.

Assessment - the annual amount determined by WHSCC, and payable by employers, to provide sufficient funds to compensate workers for accidents and occupational diseases.

Employer/Vendor – the information related to an organization that employs workers and is required to pay premiums, including WHSCC. It also represents WHSCC service providers.

Worker/Employee - the information related to an injured worker or a WHSCC employee.

Claim - the information related to an incident or claim for compensation benefits.

Programme - the information related to the series of pro-active activities designed to assist workers in returning to work, as well as preventing and managing work related injuries or diseases.

Investigation - the information related to investigations, including data related to reported incidents, investigations and directives issued to comply with Health and Safety regulations.

Appeal - the information related to an appeal of any decision of WHSCC or the WCRD, including directives issued to comply with Health and Safety regulations.

Decision - the information related to decisions made on an appeal, a claim for benefits or a classification / experience rating assigned to an employer.